



Committee On Finance

Max Baucus (D-Mont.)

NEWS RELEASE

<http://finance.senate.gov>

For Immediate Release
January 11, 2007

Contact: Carol Guthrie
(202) 224-4515

BAUCUS WARNS NEGOTIATORS ON DOHA

Senator says deal not possible without meaningful proposals to open world markets to U.S. goods and services

Washington, DC – U.S. Senator Max Baucus (D-Mont.), incoming Chairman of the Senate Finance Committee, today underscored the importance of securing tangible market access for U.S. goods and services in the Doha Round of World Trade Organization (WTO) negotiations. Press accounts have reported on rumors of a possible breakthrough after discussions this week between EU Commissioner Peter Mandelson and U.S. Trade Representative Susan Schwab, but no announcements of progress have been made. Talks have been stalled since July 2006 over the unwillingness of the European Union (“EU”) and other developing countries to commit to improved access to their agriculture markets.

“America’s farmers and ranchers don’t need more rumors. What they need is meaningful proposals that yield significant market access to world agricultural markets,” said Baucus. **“The Doha Round could give a real boost to our economy, but only if it leads to new market access commitments in the three key areas under negotiations – agriculture, services, and industrial goods. So far, I haven’t seen any such proposal. Until I do, I will remain skeptical.”**

The past eight rounds of multilateral negotiations have helped world trade grow from \$58 billion in 1947 to \$10.4 trillion today. Without comprehensive new market access commitments, the Doha Round will not succeed in matching the benefits from previous multilateral negotiations. U.S. trading partners continue to block access to U.S. products through high tariffs and non-tariff barriers. Proposals to date by the EU and other trading partners to reduce tariffs include exceptions for undefined “sensitive” products that would blunt the effect of tariff reductions on key U.S. exports.

The United States is the world’s largest exporter of services. Services account for one-third of total U.S. exports, 80 percent of the U.S. workforce, and more than two-thirds of U.S. GDP.

“Enhanced market access in agriculture is a key priority for me. We also need to see considerable progress on non-agricultural market access and services,” said Baucus. **“Services is our economy’s largest and most competitive sector. For too long services providers have been shut out of the world’s fastest growing markets. That must change.”**

###